

# LYNCHBURG CITY COUNCIL

## Agenda Item Summary

MEETING DATE: **November 26, 2002 – Work Session**

AGENDA ITEM NO.: 6

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Rehabilitated Structure Tax Exemption Program**

### RECOMMENDATION:

The recommendation is to change the wording of the current code to improve the quality of the exemption program. Some of the recommended changes include increasing the minimum age of a residential structure from 25 years old to 50 years old, increasing the assessment value change from 40 percent to 60 percent and establishing non-refundable application fees.

After discussion with City Council, other changes are possible. Such changes include limiting program to certain areas of the city, utilizing a sliding scale for exemption amount, requiring residential property to be owner occupied for exemption, etc.

### SUMMARY:

Staff conducted research of all Virginia First Cities exemption programs. All fourteen Virginia First Cities have some form of rehabilitation exemption. Several areas of our code need to be changed to improve the effectiveness of this program.

### PRIOR ACTION(S):

None

### FISCAL IMPACT:

Revenue Enhancement with adoption of application fee

### CONTACT(S):

Gregory H. Daniels, CAE, City Assessor 847-1510

### ATTACHMENT(S):

1. Memorandum, September 17, 2002, Recommended Changes to City Code Sec 36-177

### REVIEWED BY: lkp

**TO:** Kim Payne, City Manager  
Bonnie Svrcek, Deputy City Manager

**FROM:** Greg Daniels, CAE, City Assessor

**DATE:** September 17, 2002

**RE:** Recommended Changes to City Code Sec 36-177, Rehabilitated Tax Program

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I would like the opportunity to discuss some issues involving our Rehabilitation Tax Exemption program with you and City Council at a work session in the near future. I see opportunities for our code to be changed to align with Council's vision and goals.

I conducted research of all Virginia First Cities exemption programs. All fourteen Virginia First Cities have some form of rehabilitation exemption. The attached spreadsheet summarizes each locality's City Code on this topic. The Virginia Code is provided at the top of the spreadsheet for legal baselines. Several areas of our code need to be changed to improve the effectiveness of this program. Based on this research, discussions with other City Assessor's and meetings with city staff, the following issues should be addressed with City Council for possible policy changes:

- ? Minimum age of residential/commercial structure.
- ? Minimum percentage increase of assessed value for residential/commercial structures.
- ? Require residential structure to be owner-occupied.
- ? Change exemption to a sliding scale.
- ? Restrict program to certain districts of city.
- ? Require a physical inspection of structure before establishing "base value".
- ? Establish non-refundable application fee for program.

My recommendations for the program are attached. I look forward to discussing these issues with you and City Council. Thank you for your time and consideration.

**Sec. 36-177. Exemption of real estate taxes for certain rehabilitated residential and commercial and industrial real estate.**

(a) Definitions. For the purpose of this section, the following words and phrases shall have the meaning respectively ascribed to them by this subsection unless another meaning shall clearly appear from the text:

(1) Substantially rehabilitated residential/~~multifamily~~ (6 units or more) real estate: Real estate upon which there is an existing residential or multifamily structure, which is no less than ~~twenty-five (25)~~ fifty (50) years of age, and which has been so improved as to increase the assessed value of the structure by no less than ~~forty (40)~~ sixty (60) per cent, ~~or no less than twenty (20) per cent in the case of multifamily units of five (5) or more,~~ but without increasing the total square footage of such structure by more than fifteen (15) per cent.

Rationale – Raising the age requirement does not harm the older properties that will benefit from substantial renovation. The average year built of properties currently in the program is 1904. By increasing the age, the Code prevents newer structures from misusing this program. A property that has been substantially renovated easily increases in value by 60 per cent. Historically, the average percentage increase exceeds 100 per cent.

(2) Substantially rehabilitated commercial or industrial real estate: Any real estate upon which there is an existing commercial or industrial structure which is no less than twenty-five (25) years of age, and which has been so improved ~~or replaced~~ as to increase the assessed value of the structure by no less than sixty (60) per cent ~~but without increasing the total square footage of such structure by more than fifteen (15) per cent.~~

(3) Base value: The assessed value of any structure covered by this section prior to the commencement of rehabilitation work, as determined by the city assessor upon receipt of an eligible application for rehabilitated real estate tax exemption and after a physical inspection of the property by an appraiser from the city assessor's office.

(4) Rehabilitated real estate tax exemption: An amount equal to the increase in assessed value resulting from the substantial rehabilitation ~~or replacement~~ of a structure as determined by the city assessor and this amount only should be applicable to subsequent tax exemption.

(5) Taxable year: For the purpose of this section, the fiscal year from July 1 through June 30 for which such real estate tax is imposed for the exemption claimed.

(6) Owner: The person or entity in whose name the structure is titled or a leasee who is legally

obligated to pay real estate taxes assessed against the structure.

(b) Rehabilitated real estate tax exemptions. It is hereby declared to be the purpose of this section to authorize a rehabilitated real estate tax exemption for substantially rehabilitated residential, multifamily, ~~real estate and substantially rehabilitated~~ commercial or industrial real estate located anywhere within the City of Lynchburg. For each residential and multifamily property that qualifies, the rehabilitated real estate tax exemption shall be effective for a period of ten (10) years commencing on July 1 for any work completed during the preceding fiscal year. For each commercial or industrial property that qualifies, the rehabilitated real estate tax exemption shall be effective for a period of five (5) years commencing on July 1 for any work completed during the preceding fiscal year. ~~No property owner may apply for exemption on the basis of a building permit issued prior to January 1, 1983.~~

(c) Usual and customary methods of assessing. In determining the base value and the increased value resulting from substantial rehabilitation of residential, multifamily, ~~or~~ commercial or industrial real estate, the city assessor shall employ usual and customary methods of assessing real estate.

(d) Eligibility requirements:

(1) An application to qualify a structure as a substantially rehabilitated residential, multifamily, commercial or industrial structure must be filed with the city assessor's office ~~no later than thirty (30) days after obtaining the building permit for the rehabilitation~~ before work is started. Applications may be obtained from the city assessor's office.

(2) Upon receipt of an application for rehabilitated real estate tax exemption, an appraiser from the city assessor's office shall make a physical inspection of the structure and determine the assessed base value of the structure. If work has been started prior to the first inspection; the current assessed value for the structure, plus any improvement value that has not been picked up by the assessor's office prior to the start of the rehabilitation permit, will be used as the base value the base value will include any work started and will reflect the market value of the structure as of the date of the first inspection.

(3) The application to qualify shall be effective for a period of two (2) years from the date of filing. No extensions of this time period will be granted.

(4) Upon completion of the rehabilitation, the owner of the property shall notify the city assessor in writing, and ~~the city assessor~~ an appraiser from the city assessor's office shall physically inspect the property and perform an after rehabilitation appraisal to determine if it then qualifies for the rehabilitated real estate tax exemption.

(5) Upon determination that the property has been substantially rehabilitated pursuant to the terms of this section, the rehabilitated real estate tax exemption shall become effective for a period as provided in paragraph (b) hereof.

- (6) Prior to a determination that the property has been substantially rehabilitated, the owner of the property shall continue to be subject to taxation upon the full value of the property, as otherwise authorized by this code.
- (7) No improvements made upon vacant land nor total replacement of ~~residential, single-family or multifamily, commercial or industrial~~ residential structures shall be eligible for rehabilitated real estate tax exemption.
- (8) No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the city assessor has verified that the rehabilitation indicated on the application has been completed.
- (9) Multifamily residential structures after rehabilitation is completed shall remain as such for the remainder of the exemption period.
- (10) There shall be a non-refundable fee of one hundred twenty-five dollars (\$125) for processing each residential application and two hundred fifty dollars (\$250) for processing each multi-family, commercial or industrial application under this section.
- (11) The property must at all times be in compliance with all Lynchburg City Codes including, without limitation, the building code, the rental housing code, the zoning ordinance and all other codes that relate to real estate within the City of Lynchburg. Failure to correct the violation within the required time, as provided by the Building Inspector, will void the remainder of the exemption. If a structure is damaged or destroyed and found to be uninhabitable, the exemption will be terminated.
- (12) No exemption shall be granted if access to the entire property is denied to the city assessor's office or the inspections office.
- (13) All taxes must be paid and current to be eligible for an exemption. If the city assessor is notified by the billing and collections department that the property is more than 30 days delinquent on taxes, then the remainder of the exemption will be void.
- (14) Only one rehabilitation exemption may be active for a parcel at any given time.
- (e) Exemption to run with the land. The rehabilitated real estate tax exemption shall run with the land, and the owner of such property during each of the years of exemption shall be entitled to the amount of partial exemption. (Ord. No. O-82-252, § 1, 12-14-82; Ord. No. O-84-274, § 1, 11-27-84, eff. 7-1-84; Ord. No. O-88-277, § 1, 10-11-88; Ord. No. O-93-331, 12-14-93)

## **City of Lynchburg Current Code Rehabilitated Tax Exemption**

### **Sec. 36-177. Exemption of real estate taxes for certain rehabilitated residential and commercial and industrial real estate.**

(a) Definitions. For the purpose of this section, the following words and phrases shall have the meaning respectively ascribed to them by this subsection unless another meaning shall clearly appear from the text:

(1) Substantially rehabilitated residential real estate: Real estate upon which there is an existing residential or multifamily structure, which is no less than twenty-five (25) years of age, and which has been so improved as to increase the assessed value of the structure by no less than forty (40) per cent, or no less than twenty (20) per cent in the case of multifamily units of five (5) or more, but without increasing the total square footage of such structure by more than fifteen (15) per cent.

(2) Substantially rehabilitated commercial or industrial real estate: Any real estate upon which there is an existing commercial or industrial structure which is no less than twenty-five (25) years of age, and which has been so improved or replaced as to increase the assessed value of the structure by no less than sixty (60) per cent but without increasing the total square footage of such structure by more than fifteen (15) per cent.

(3) Base value: The assessed value of any structure covered by this section prior to the commencement of rehabilitation, as determined by the city assessor upon receipt of an application for rehabilitated real estate tax exemption.

(4) Rehabilitated real estate tax exemption: An amount equal to the increase in assessed value resulting from the substantial rehabilitation or replacement of a structure as determined by the city assessor and this amount only should be applicable to subsequent tax exemption.

(5) Taxable year: For the purpose of this section, the fiscal year from July 1 through June 30 for which such real estate tax is imposed for the exemption claimed.

(6) Owner: The person or entity in whose name the structure is titled or a leasee who is legally obligated to pay real estate taxes assessed against the structure.

(b) Rehabilitated real estate tax exemptions. It is hereby declared to be the purpose of this section to authorize a rehabilitated real estate tax exemption for substantially rehabilitated residential real estate and substantially rehabilitated commercial or industrial real estate located anywhere within the City of Lynchburg. For each residential property that qualifies, the rehabilitated real estate tax exemption shall be effective for a period of ten (10) years commencing on July 1 for any work completed during the preceding fiscal year. For each commercial or industrial property that qualifies, the rehabilitated real estate tax exemption shall be effective for a period of five (5) years commencing on July 1 for any work completed during the preceding fiscal year. No property owner may apply for exemption on the basis of a building permit issued prior to January 1, 1983.

(c) Usual and customary methods of assessing. In determining the base value and the increased value resulting from substantial rehabilitation of residential or commercial or industrial real estate, the city assessor shall employ usual and customary methods of assessing real estate.

(d) Eligibility requirements:

(1) An application to qualify a structure as a substantially rehabilitated residential, commercial or industrial structure must be filed with the city assessor's office no later than thirty (30) days after obtaining the building permit for the rehabilitation. Applications may be obtained from the city assessor's office..

(2) Upon receipt of an application for rehabilitated real estate tax exemption, the city assessor shall determine the assessed base value of the structure. If work has been started prior to the first inspection; the current assessed value for the structure, plus any improvement value that has not been picked up by the assessor's office prior to the start of the rehabilitation permit, will be used as the base value.

(3) The application to qualify shall be effective for a period of two (2) years from the date of filing. No extensions of this time period will be granted.

(4) Upon completion of the rehabilitation, the owner of the property shall notify the city assessor in writing, and the city assessor shall inspect the property to determine if it then qualifies for the rehabilitated real estate tax exemption.

(5) Upon determination that the property has been substantially rehabilitated pursuant to the terms of this section, the rehabilitated real estate tax exemption shall become effective for a period as provided in paragraph (b) hereof.

(6) Prior to a determination that the property has been substantially rehabilitated, the owner of the property shall continue to be subject to taxation upon the full value of the property, as otherwise authorized by this code.

(7) No improvements made upon vacant land nor total replacement of single-family or multifamily residential structures shall be eligible for rehabilitated real estate tax exemption.

(8) No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the city assessor has verified that the rehabilitation indicated on the application has been completed.

(9) Multifamily residential structures after rehabilitation is completed shall remain as such for the remainder of the exemption period.

(e) Exemption to run with the land. The rehabilitated real estate tax exemption shall run with the land, and the owner of such property during each of the years of exemption shall be entitled to the amount of partial exemption. (Ord. No. O-82-252, § 1, 12-14-82; Ord. No. O-84-274, § 1, 11-27-84, eff. 7-1-84; Ord. No. O-88-277, § 1, 10-11-88; Ord. No. O-93-331, 12-14-93)

## **Code of Virginia**

### **Rehabilitated Structures Exemption**

#### **§ 58.1-3220. Partial exemption for certain rehabilitated, renovated or replacement residential structures.**

A. The governing body of any county, city or town may, by ordinance, provide for the partial exemption from taxation of real estate on which any structure or other improvement no less than fifteen years of age has undergone substantial rehabilitation, renovation or replacement for residential use, subject to such conditions as the ordinance may prescribe. The ordinance may, in addition to any other restrictions hereinafter provided, restrict such exemptions to real property located within described zones or districts whose boundaries shall be determined by the governing body. The governing body of a county, city or town may (i) establish criteria for determining whether real estate qualifies for the partial exemption authorized by this provision, (ii) require such structures to be older than fifteen years of age, (iii) establish requirements for the square footage of replacement structures, and (iv) place such other restrictions and conditions on such property as may be prescribed by ordinance. Such ordinance may also provide for the partial exemption from taxation of multifamily residential units that have been substantially rehabilitated by replacement for multifamily use.

B. The partial exemption provided by the local governing body may be an amount equal to the increase in assessed value or a percentage of such increase resulting from the rehabilitation, renovation or replacement of the structure as determined by the commissioner of revenue or other local assessing officer or an amount up to fifty percent of the cost of the rehabilitation, renovation or replacement, as determined by ordinance. The exemption may commence upon completion of the rehabilitation, renovation or replacement or on January 1 of the year following completion of the rehabilitation, renovation or replacement and shall run with the real estate for a period of no longer than fifteen years. The governing body of a county, city or town may place a shorter time limitation on the length of such exemption, or reduce the amount of the exemption in annual steps over the entire period or a portion thereof, in such manner as the ordinance may prescribe.

C. Nothing in this section shall be construed as to permit the commissioner of the revenue to list upon the land book any reduced value due to the exemption provided in subsection B.

D. The governing body of any county, city or town may assess a fee not to exceed one hundred twenty-five dollars for residential properties, or two hundred fifty dollars for commercial, industrial, and/or apartment properties of six units or more for processing an application requesting the exemption provided by this section. No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the commissioner of the revenue or assessing officer has verified that the rehabilitation, renovation or replacement indicated on the application has been completed.

E. Where rehabilitation is achieved through demolition and replacement of an existing structure, the exemption provided in subsection A shall not apply when any structure demolished is a registered Virginia landmark or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district. (Code 1950, § 58-760.2; 1979, c. 195; 1980, c. 417; 1981, c. 625; 1984, cc. 675, 750; 1986, c. 271; 1989, cc. 89, 656; 1994, cc. 424, 435; 1995, c. 673; 2001, c. 489; 2002, cc. 21, 144.)

#### **§ 58.1-3221. Partial exemption for certain rehabilitated, renovated or replacement commercial or industrial structures.**

A. The governing body of any county, city or town may, by ordinance, provide for the partial exemption from



taxation of real estate on which any structure or other improvement no less than twenty years of age, or fifteen years of age if the structure is located in an area designated as an enterprise zone by the Commonwealth, has undergone substantial rehabilitation, renovation or replacement for commercial or industrial use, subject to such conditions as the ordinance may prescribe. The ordinance may, in addition to any other restrictions hereinafter provided, restrict such exemptions to real property located within described zones or districts whose boundaries shall be determined by the governing body. The governing body of a county, city or town may establish criteria for determining whether real estate qualifies for the partial exemption authorized by this provision and may require the structure to be older than twenty years of age, or fifteen years of age if the structure is located in an area designated as an enterprise zone by the Commonwealth, or place such other restrictions and conditions on such property as may be prescribed by ordinance. Such ordinance may also provide for the partial exemption from taxation of real estate which has been substantially rehabilitated by complete replacement for commercial and industrial use.

B. The partial exemption provided by the local governing body may not exceed an amount equal to the increase in assessed value resulting from the rehabilitation, renovation or replacement of the commercial or industrial structure as determined by the commissioner of revenue or other local assessing officer or an amount up to fifty percent of the cost of rehabilitation, renovation or replacement as determined by ordinance. The exemption may commence upon completion of the rehabilitation, renovation or replacement, or on January 1 of the year following completion of the rehabilitation, renovation or replacement and shall run with the real estate for a period of no longer than fifteen years. The governing body of a county, city or town may place a shorter time limitation on the length of such exemption, or reduce the amount of the exemption in annual steps over the entire period or a portion thereof, in such manner as the ordinance may prescribe.

C. Nothing in this section shall be construed as to permit the commissioner of the revenue to list upon the land book any reduced value due to the exemption provided in subsection B.

D. The governing body of any county, city or town may assess a fee not to exceed one hundred twenty-five dollars for residential properties, or two hundred fifty dollars for commercial, industrial, and/or apartment properties of six units or more for processing an application requesting the exemption provided by this section. No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the commissioner of the revenue or assessing officer has verified that the rehabilitation, renovation or replacement indicated on the application has been completed.

E. Where rehabilitation is achieved through demolition and replacement of an existing structure, the exemption provided in subsection A shall not apply when any structure demolished is a registered Virginia landmark or is determined by the Department of Historic Resources to contribute to the significance of a registered historic landmark.

(Code 1950, § 58-760.3; 1979, c. 195; 1980, c. 417; 1984, c. 675; 1986, c. 271; 1989, c. 89; 1994, cc. 424, 435, 608; 1995, c. 673; 2001, c. 489; 2002, cc. 8, 137.)

REHABILITATION EXEMPTION PROGRAM										
CURRENT CITY CODE FOR FIRST CITIES										
LOCALITY	MINIMUM AGE (YEARS)	TIME TO COMPLETE (YEARS)	EXEMPTION PERIOD (YEARS)	MIN. ASSESS. INCREASE TO QUALIFY	MAX. % OF SQUARE FOOT INCREASE	REQUIRE OWNER OCCUPANCY	APPLICATION FEE	TRANSFERS W/ REAL ESTATE	ALLOWS TOTAL REPLACEMENT	WHEN TO APPLY
<b>CODE OF VIRGINIA</b>										
RESIDENTIAL	15	N/A	15 MAX	ASSESSMENT INCREASE	30%	NO	\$125 MAX	YES	YES	N/A
MULTI-FAMILY(6 UNITS+)	15	N/A	15 MAX	ASSESSMENT INCREASE	30%	NO	\$250 MAX	YES	YES	N/A
COMMERCIAL	20	N/A	15 MAX	ASSESSMENT INCREASE	NO LIMIT	NO	\$250 MAX	YES	YES	N/A
ENTERPRISE ZONE	15	N/A	15 MAX	ASSESSMENT INCREASE	NO LIMIT	NO	\$125/\$250 MAX	YES	YES	N/A
<b>LYNCHBURG</b>										
RESIDENTIAL	25	2	10	40%	15%	NO	\$0	YES	NO	WITHIN 30 DAYS OF PERMIT
MULTI-FAMILY(5 UNITS+)	25	2	10	20%	15%	NO	\$0	YES	NO	WITHIN 30 DAYS OF PERMIT
COMMERCIAL	25	2	5	60%	15%	NO	\$0	YES	YES	WITHIN 30 DAYS OF PERMIT
<b>CHARLOTTESVILLE</b>										
RESIDENTIAL	25	2	7	20%	NO LIMIT	YES	\$50	YES	YES	AT PERMIT FILING
MULTI-FAMILY(6 UNITS+)	NO PROGRAM									
COMMERCIAL	NO PROGRAM									
<b>DANVILLE</b>										
RESIDENTIAL	PRIOR 1945	2	15	25%	15%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	PRIOR 1945	2	15	25%	15%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
COMMERCIAL	PRIOR 1945	2	15	25%	15%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
<b>FREDERICKSBURG</b>										
RESIDENTIAL	25	2	7 (STEP DOWN)	40%	15%	NO	\$20	YES	YES	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	25	2	7 (STEP DOWN)	40%	30%	NO	\$20	YES	YES	PRIOR TO REHAB WORK
COMMERCIAL	25	2	7 (STEP DOWN)	60%	15%	NO	\$20	YES	YES	PRIOR TO REHAB WORK
<b>HAMPTON</b>										
RESIDENTIAL	25	1	6 (3@100%, 3@50%)	40%	15%	NO	\$50	YES	NO	WITHIN 5 DAYS OF PERMIT
MULTI-FAMILY(6 UNITS+)	25	1	6 (3@100%, 3@50%)	40%	15%	NO	\$50	YES	NO	WITHIN 5 DAYS OF PERMIT
COMMERCIAL	25	1.5	6 (3@100%, 3@50%)	60%	25%	NO	\$100	YES	NO	WITHIN 5 DAYS OF PERMIT
<b>HOPEWELL</b>										
RESIDENTIAL	25	2	10	25%	100%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	25	2	10	40%	50%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
COMMERCIAL	25	2	10	40%	100%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
<b>NEWPORT NEWS</b>										
RESIDENTIAL	25	N/A	15 (6@100%, 9@10%STEP)	30%	30%	NO	\$0	YES	NO	WITHIN 18 MONTHS OF COMPLETION
COMMERCIAL	25	N/A	5	60%	15%	NO	\$0	YES	NO	WITHIN 18 MONTHS OF COMPLETION
ENTERPRISE ZONE	25	N/A	5	\$50,000	15%	NO	\$0	YES	NO	WITHIN 18 MONTHS OF COMPLETION
<b>NORFOLK</b>										
RESIDENTIAL	15	1	10 (5@100%, 5@20%STEP)	10%	NO LIMIT	YES	\$50	YES	NO	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	NO PROGRAM									
COMMERCIAL	NO PROGRAM									
<b>PETERSBURG</b>										
RESIDENTIAL	50	0.5	5	40%	15%	NO	\$20	NO	YES	AT PERMIT FILING
MULTI-FAMILY(6 UNITS+)	50	0.5	5	40%	15%	NO	\$20	NO	YES	AT PERMIT FILING
COMMERCIAL	50	0.5	5	60%	15%	NO	\$20	NO	YES	AT PERMIT FILING
<b>PORTSMOUTH</b>										
RESIDENTIAL	40	N/A	5	40%	15%	NO	\$50	NO	YES	WITHIN 10 DAYS OF PERMIT
MULTI-FAMILY(6 UNITS+)	40	N/A	5	40%	15%	NO	\$50	NO	YES	WITHIN 10 DAYS OF PERMIT
COMMERCIAL	40	N/A	5	60%	15%	NO	\$50	NO	YES	WITHIN 10 DAYS OF PERMIT
RM/COMM IN URBAN ZONE	25	N/A	10	40/60%	15%	NO	\$50	NO	YES	WITHIN 10 DAYS OF PERMIT
<b>RICHMOND</b>										
RESIDENTIAL	15	3	15 (10@100%, 5@20%STEP)	20%	30%	NO	\$50	YES	YES	AT PERMIT FILING
MULTI-FAMILY(6 UNITS+)	15	3	15 (10@100%, 5@20%STEP)	40%	30%	NO	\$50	YES	YES-130% MAX	AT PERMIT FILING
COMMERCIAL	20	3	15 (10@100%, 5@20%STEP)	40%	0%	NO	\$50	YES	YES-100% MAX	AT PERMIT FILING
ENTERPRISE ZONE	15	3	15	40%	10%	NO	\$50	YES	YES-110% MAX	AT PERMIT FILING
<b>ROANOKE</b>										
RESIDENTIAL	25	2	5	40%	15%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	25	2	5	40%	15%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
COMMERCIAL	25	2	5	60%	15%	NO	\$50	YES	NO	PRIOR TO REHAB WORK
ENTERPRISE ZONE	15	1	5	\$50,000	0%	NO	\$50	YES	NO	PRIOR TO REHAB WORK

REHABILITATION EXEMPTION PROGRAM										
CURRENT CITY CODE FOR FIRST CITIES										
LOCALITY	MINIMUM AGE (YEARS)	TIME TO COMPLETE (YEARS)	EXEMPTION PERIOD (YEARS)	MIN. ASSESS. INCREASE TO QUALIFY	MAX. % OF SQUARE FOOT INCREASE	REQUIRE OWNER OCCUPANCY	APPLICATION FEE	TRANSFERS W/ REAL ESTATE	ALLOWS TOTAL REPLACEMENT	WHEN TO APPLY
<b>STAUNTON</b>										
RESIDENTIAL	25	2	7	40%	15%	NO	\$20	YES	NO	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	25	2	7	40%	15%	NO	\$20	YES	NO	PRIOR TO REHAB WORK
COMMERCIAL	25	2	7	60%	0%	NO	\$20	YES	NO	PRIOR TO REHAB WORK
<b>WINCHESTER</b>										
RESIDENTIAL	25	N/A	10	40%	15%	NO	\$20	YES	NO	PRIOR TO REHAB WORK
MULTI-FAMILY(6 UNITS+)	25	N/A	10	40%	15%	NO	\$20	YES	NO	PRIOR TO REHAB WORK
COMMERCIAL	25	N/A	10	60%	15%	NO	\$20	YES	NO	PRIOR TO REHAB WORK